

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Cisneros DATE TYPED 2/10/04 HB _____

SHORT TITLE Water Trust Board Duties and Membership SB 526

ANALYST Kehoe

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 443 and House Bill 347.

SOURCES OF INFORMATION

- LFC Files
- Office of State Engineer
- New Mexico Finance Authority (NMFA)
- New Mexico Department of Agriculture
- Energy, Minerals & Natural Resources Department
- New Mexico Environment Department

SUMMARY

Synopsis of Original Bill

Senate Bill 526 amends sections of the Water Project Finance Act, provides for members of the Water Trust Board, removes the Drought Strike Team from the Water Trust Board duties; and allows for appropriations and donations to be made to the Water Project Fund.

Significant Issues

The 2001 Legislature enacted the Water Project Finance Act establishing a Water Trust Fund Program, a Water Project Fund and a Water Trust Board. The purpose of the program is to provide grants and loans to political subdivisions and to provide for long-range planning and financing of regional and statewide water supply projects. The Water Trust Board consists of 15 members who approve all grants and loans made to qualified entities.

Senate Bill 526 expands the Water Trust Board members from 15 to 18 members to include the secretary of the Department of Finance and Administration two public members, appointed by the governor and confirmed by the senate. One public member shall represent public water systems with more than five hundred connections, and the other member shall represent public water systems with 500 or fewer connections. The bill also specifies that designees shall not serve on the board except for designees of the executive directors of the New Mexico Municipal League and the Association of Counties, and the president's designee of the Navajo Nation.

The bill removes the "drought strike team" from the duties of the Water Trust Board. The drought strike team was originally created to address the state's drought-related issues. The bill provides that the distribution of funds to the Water Project Fund may include appropriations and donations.

DUPLICATION and RELATIONSHIP

This bill duplicates Senate Bill 443 in its entirety and relates to House Bill 347/aHENRC. The House Energy and Natural Resources Committee amendment proposes to increase the membership of the Water Trust Board to 19 members to include the executive director of the Soil and Water Conservation districts, or the director's designee.

LMK/dm